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**Montana Department of Commerce Awards over \$3.8 Million in
Public Facilities Projects to 10 Local Communities**

Funds Tentative

(HELENA) – The Montana Department of Commerce has awarded \$3,881,933 in federal Community Development Block Grant (CDBG) funds to 10 Montana communities with critical public facilities needs. At this time, Montana's grant awards are considered tentative, because Congress has not yet passed the budget bill to fund transportation and housing programs.

Big Horn County (Crow Agency), Big Sandy, Butte-Silver Bow, Circle, Helena, Jordan, Judith Gap, Kalispell, Pondera County (Brady) and Twin Bridges would receive CDBG public facilities grants for community improvements that benefit low and moderate income families. These CDBG funds will be used to rehabilitate or replace failing water and sewer systems, provide adequate housing and care for at-risk and abused children, and help a food bank to expand its services.

"These communities are really being held hostage because of the budget impasse between Congress and President Bush over national spending priorities," said Anthony Preite, Director of the Montana Department of Commerce. "Congress is finishing work on the housing budget bill, but unfortunately President Bush has threatened to veto it because it provides more funding than he requested."

The CDBG program is a federally-funded grant program administered by the Montana Department of Commerce under contract with the U.S. Department of Housing and Urban Development (HUD). It is designed to assist communities with their greatest community development needs, especially the needs of low and moderate income persons.

The President's budget calls for a 21% cut in CDBG funding. With the Administration's previous reductions to CDBG funding, these new cuts would represent a 35% decrease over the past five years.

"If the President's budget was approved, Montana would end up with about the same level of CDBG funding that it received 25 years ago. The purchasing power of those funds today is only half of what it was in 1982 when Montana began administering the CDBG program," said Director Preite.

Communities seek CDBG funding to supplement their financial efforts to upgrade their deteriorating or otherwise substandard water and wastewater treatment facilities.

"Local governments are caught in terrible squeeze," said Director Preite. "They face increasingly stringent federal environmental requirements for their community water and wastewater treatment systems, while the cost of materials like copper, steel, concrete, and petroleum spirals upward. At the same time, the level of federal grant assistance has been steadily declining as an increasing share of the nation's budget is diverted to the wars in Iraq and Afghanistan."

Preite is hopeful that Congress can persuade the Bush Administration to accept the congressional budget. "Too many Montana communities have severe public facilities problems and simply do not have the local funds to address these critical needs. Montana's shelter resources for abused or homeless youth and food bank facilities are also inadequate. The projects funded in these communities would create a better standard of living for these people, by ensuring that they'll have decent water and sewer services, shelter for at-risk youth, and adequate food for low income families."

Tentative CDBG Grant Awards

Big Horn County would receive \$450,000 for the **Crow Indian Tribe's Apsaalooke Wastewater Authority** to make needed wastewater treatment system improvements. The CDBG funds for this project would be used to replace the Crow Agency's current undersized and deteriorated wastewater lagoon.

The Town of Big Sandy was awarded \$450,000 for a wastewater system project that would correct serious deficiencies in the town's wastewater collection system, including failing and inadequate sewer pipes which cause sewer back-ups. The project would also replace and relocate a failing lift station that is unsafe for operators.

The City and County of Butte-Silver Bow would receive \$329,080 from CDBG for the **Butte Emergency Food Bank** to make needed repairs to a recently-purchased building and allowing the program to expand services to benefit low income families. The project will install a new, insulated roof and address essential fire-safety, electrical, mechanical, plumbing, and heating system repairs. The Food Bank has served the area since 1981, providing 35,000 pounds of non-

perishable foods to approximately 1,000 people monthly whose incomes are at or below 150% of federal poverty guidelines.

The Town of Circle was awarded \$450,000 for improvements to the town's aging and inadequate wastewater treatment facility, upgrading and rehabilitating its current system. The project would correct severe deficiencies in the current treatment facility which pose an imminent threat to public health and safety, including effluent leaking into the Redwater River .

The City of Helena would receive \$315,000 for **Montana Youth Homes and the Jan Shaw Home in Helena** for abused, neglected, abandoned, and homeless boys and girls between the ages of twelve and eighteen. The project would provide a new home that corrects fire-safety and electrical code violations at the former Jan Shaw Home built in 1925.

The Town of Jordan would receive \$328,680 for a project to upgrade its existing wastewater treatment lagoon system, enhancing treatment for discharge of treated wastewater to Big Dry Creek. The project would also construct a safer above-ground control building and replace a damaged section of the town's wastewater collection system.

The Town of Judith Gap would receive \$285,772 from CDBG to improve water and sewer lines in conjunction with the Montana Department of Transportation's schedule to reconstruct Highway 191 through the center of town in 2008. The CDBG funds for the project would be used to replace water and sewer mains, manholes, valves and service connections within the highway construction limits.

The City of Kalispell would be awarded \$450,000 for the construction of a new home for the **Flathead Attention Home**, the only program in Northwest Montana that provides shelter care in a home-like setting for youth ages 10 to 18 whose lives are in crisis. The CDBG funds will provide partial construction financing for a new ten-bedroom home constructed specifically for shelter care. Last year, operating out of temporary facilities, the Flathead Attention Home provided 136 youth a safe place to live.

Pondera County would receive \$373,401 on behalf of the **Brady Water & Sewer District** to rehabilitate a failing wastewater collection and treatment system that causes back up of raw sewage into basements and violates Montana clean water standards through leakage.

The Town of Twin Bridges would be awarded \$450,000 to upgrade its wastewater treatment facility, which does not have adequate capacity for existing wastewater flows, cannot accommodate new residential or commercial development, and also produces discharges which do not meet current Montana surface water quality standards.

The CDBG applications are evaluated and ranked by Commerce staff based upon established criteria.

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